

Carol's Tax Service, Inc

Enrolled Agent admitted to practice before the Internal Revenue Service

Individual Letter of Engagement for Year(s) _____ (write in applicable years)

Thank you for selecting Carol's Tax Service, Inc to assist you in preparing your personal income tax returns. This letter confirms the terms of our engagement and the nature, timing, and limitations of the services we will provide.

Tax Information & Documentation

We will prepare your federal and state income tax returns from information you furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to request clarification and/or documentation of some of the information. Generally, we will rely on your representation that you have maintained the documentation required by law to support the information you provide, including expenses for meals, entertainment, travel, gifts, vehicle use, charitable contributions, etc. If you are not clear regarding what documentation is needed for any given item of income or deduction, we'd be happy to discuss it with you. However, the government agencies require you to keep such documents for a minimum of five years.

Note that you have the final responsibility for the income tax returns and, therefore, you should carefully review them before you sign and file them

Client Acknowledgements Form 8879 (Federal & State)

When your returns have been completed you will receive copies of your returns. At that time we will also send you an acknowledgement to be signed and returned along with full payment of our services. The acknowledgement will state that you have received and reviewed the returns prepared from information which you have furnished to us. **YOU MUST KEEP THESE COPIES** in a secure place as you may need to furnish copies to lenders in the future. Additional copies will require additional fees charged for our time and materials.

Organizers

We have provided an organizer for you to complete PRIOR TO YOUR APPOINTMENT. This organizer IS REQUIRED for completion of your return so that we have a complete and accurate picture as to your current tax status. However, please ALSO provide us with originals or copies of originals of all government tax documents including W-2s, 1099s, 1098s, and property tax statements. We will use professional judgment in resolving issues when the tax law is unclear or when there is conflict among the authorities. The filing deadline for the tax returns is, generally, April 15. In order to meet this filing deadline, we must receive you information in substantially completed form by March 20th. If an extension of time to file is required, we will use the information available to us at the time to prepare the extension.

An extension, however, only provides you with an extension to file, not an extension to pay. Taxes paid after April 15 will result in penalties and interest

Electronic Filing

Under both federal and California law, we are required to electronically file your returns. However, you may opt out of electronically filing without explanation. If you would rather not e-file please let us know and we will provide you with the government opt-out forms you must sign and return to us. If a joint return is prepared, tax returns and copies of all supporting documentation will be made available to either spouse without the consent or notification of the other spouse.

Foreign Activities

You are responsible for reporting foreign activities. By signing this letter, you acknowledge that you will inform us if you have income from foreign sources or if you have signatory authority over any foreign account. If you are unsure whether income or an account is foreign, we will review it.

Note that the penalties for failure to report foreign activities are severe

IRS and State Taxing Agencies Examinations and Audits

We will prepare your tax returns only with the express understanding that any contact or correspondence with the IRS or other taxing agencies will immediately forwarded to us, prior to any response on your part, enabling us to respond strategically, proactively and appropriately on your behalf. Your tax returns may be selected for review by the taxing authorities.

Fees for tax preparation services are based on a time and expense basis and will reflect the complexity of your individual tax situation. The cost of our time representing you with the IRS or other taxing agencies for audits or other examination are not included in these preparation fees

Fees are Payable in Full Upon Receipt

Our fees are due upon receipt of our invoice. We reserve the right to withhold the returns or withdraw the filing of the returns until our fees are paid in full. If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter and return it to our office. Work cannot commence until a signed copy of this document is returned. Invoices past due greater than 30 days will be subject to a service charge of 1 1/2% per month.

[A retainer of 50% of the estimated fee may be required of new clients or clients requiring multiple year preparatio]

Yours truly,

Carol Emshwiller, EA, ATA

I understand and acknowledge the above terms

Taxpayer _____

digital signature

Date _____

Print _____

print

Spouse/Partner _____

digital signature

Date _____

Print _____

print

In order for us to determine your owe/refund status we must have your documents in our office by March 22nd. This does not guarantee it will be completed by April 15