

# ENGAGEMENT LETTER

Please Read, Sign and Return

Contracted Year(s) \_\_\_\_\_

Thank you for choosing The Tax Team LLC to assist you with your income tax returns. This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

We will prepare your individual Federal and State income tax returns for the listed year(s). Your returns will be prepared without verification, solely from information provided by you, and will be prepared in accordance with the appropriate Federal and State income tax laws and regulations. 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.

In order to prepare an accurate return, ample time is required after receiving the requested information/forms. Our work does not include any procedures designed to discover false entries or other irregularities, should any exist. The law provides various penalties that may be imposed when taxpayers underestimate their tax liability.

In signing this letter, you are stating that you have proof of all information given to The Tax Team LLC, including mileage logs and receipts where required. You acknowledge that you have reported all income you received including barter, consumer-to-consumer activity, cash-based income, foreign income and assets and all other income whether received in-person, in-kind or electronically for the listed year(s). You also confirm that you have or will timely file any applicable required Forms 1099 and W-2 with the applicable government agency for business employees or home-workers. ***Cryptocurrency: Congress and the IRS are very aggressively pursuing cryptocurrency activity, reporting and tax situations. Failure to report crypto-currency activity of any type, including sales, staking, mining, lending, NFT activity, trades and other activities must be reported on your return, so you also acknowledge that you have reported all cryptocurrency and block chain activity to us.*** We want to remind you that you have the ultimate responsibility for your income tax returns and therefore, you should review them carefully before signing and filing the returns.

Our engagement will be complete upon the delivery of the completed tax return to you. You will be responsible to file the return(s) with the taxing authorities unless we are electronically filing the returns for you. If we are electronically filing your return(s) **it is YOUR responsibility to timely return the signed authorization Form 8879 to us.** We cannot file the return without it. If you are taking it home to be signed you are responsible for returning it to us before the due date of the return. In the event information is requested by either of the parties on a joint return, that information will be furnished without obtaining the additional consent of the other party.

Our fees for tax preparation services will be based upon the forms and schedules needed to complete your particular return(s). All tax preparation fees are due and payable at the time you pick up the completed return(s). If you choose to have us mail your return to you it will be mailed priority mail and the cost will be added to your tax preparation fees. In signing you agree that we can turn your account to collections if necessary.

After preparation, you will receive a copy of your completed tax return(s) and your original documents (except Fed & State copies of W2 and 1099). You should securely store these records, along with all supporting documents, cancelled checks, etc., for 4 years (asset purchases required up to 4 years after disposal of asset). These items may later be needed to prove accuracy and completeness of a return. We will retain copies of your records and our work papers for your engagement for 4 years, after which these documents will be destroyed. If you wish additional copies or faxing of returns or data, **the fee will be a minimum of \$25** for a simple return and will increase for additional forms or data.

**In signing you are agreeing that if you receive any correspondence from the IRS or any State, you will contact us immediately.**

Our tax preparation fees do not include additional time for bookkeeping and/or audit preparation, assistance or representation.

**We CAN NOT automatically file an extension for you.** You can request an extension via email, mail or phone. We must receive the request by noon on the due date or you can file your own extension by going to IRS.gov. **Returns filed with a balance due will be subject to interest and penalty by all taxing authorities after the due date if no payment is made.**

## EXTENSIONS ARE FOR TIME TO FILE, NOT TO PAY.

To affirm that this letter correctly summarizes your understanding of the engagement, please sign in the space indicated.

Accepted by: \_\_\_\_\_  
Taxpayer Print

\_\_\_\_\_  
Taxpayer Sign

\_\_\_\_\_  
Date

Accepted by: \_\_\_\_\_  
Spouse Print

\_\_\_\_\_  
Spouse Sign

\_\_\_\_\_  
Date