

TAX ENGAGEMENT UNDERSTANDING

This letter is to confirm the terms and objective of this tax services engagement, and to clarify the nature and limitations of the tax services to be provided. I, ***Alisha's Accounting & Tax Preparation Service***, will prepare your 2017 and future federal income tax returns (and other returns, if applicable) from information you furnish. Tax return preparation may require other tax and accounting services. I, ***Alisha's Accounting & Tax Preparation Service***, will depend on the information you are supplying as being accurate and complete to the best of your knowledge, and I, ***Alisha's Accounting & Tax Preparation Service***, will rely on your representation that you have maintained the documentation required by law to support the information you are providing, including your expenses for meals, entertainment, travel, gifts, medical deductions, vehicle use, and charitable contributions. I, ***Alisha's Accounting & Tax Preparation Service***, will NOT verify information you provide, but I, ***Alisha's Accounting & Tax Preparation Service***, may ask you for clarification of some data. I, ***Alisha's Accounting & Tax Preparation Service***, will furnish you a questionnaire to guide you in gathering the necessary information.

I, ***Alisha's Accounting & Tax Preparation Service***, will use my judgment in resolving questions where the tax law is unclear, or where there are conflicts in interpreting the law. Unless otherwise instructed by you, I, ***Alisha's Accounting & Tax Preparation Service***, will resolve such questions in your favor whenever possible. My work in connection with the preparation of your income tax returns does not include in any procedures designed to discover fraud or other irregularities, should any exist. In addition, I, ***Alisha's Accounting & Tax Preparation Service***, reserve the right to terminate this engagement should there be ethical conflicts concerning the preparation of your tax returns. The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please ask. You should review your income tax returns carefully before you sign and file them, as you have the final responsibility. If necessary, I, ***Alisha's Accounting & Tax Preparation Service***, will prepare on your behalf necessary extensions of time for filing your tax returns. I, ***Alisha's Accounting & Tax Preparation Service***, will use the information available to me at the time to prepare the application for extension. An extension only provides you with an extension of time to file, and not an extension of time to pay your tax. Taxes paid after the original due date will result in the imposition of interest, and may result in penalties being imposed by the taxing authorities. Your tax returns will be prepared for electronic filing, unless extenuating circumstances dictate the preparation of a manually filed paper tax return. I, ***Alisha's Accounting & Tax Preparation Service***, use a vendor third-party software vendor for the processing of certain tax information, including the transmittal of all tax returns that are filed electronically. This vendor is subject to the same confidentiality and privacy rules of the Internal Revenue Service that I, ***Alisha's Accounting & Tax Preparation Service***, am subject to. 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. If the government chooses to examine your return, I, ***Alisha's Accounting & Tax Preparation Service***, will be available upon request to represent you; I, ***Alisha's Accounting & Tax Preparation Service***, will render additional invoices for the time and expenses incurred. Where a joint tax return is prepared, tax returns and supporting information will be made available to either spouse without the consent of or notification to the other spouse. ***Alisha's Accounting & Tax Preparation Service*** generally retains for three years, in paper or electronic forms, the final work product generated for its clients. After the retention period, the documents are destroyed. ***Alisha's Accounting & Tax Preparation Service*** does not keep any original client records-they will be returned to you at the completion of the engagement. It is your responsibility to retain and protect your records for possible future use, including potential examination by the taxing authorities. ***Alisha's Accounting & Tax Preparation Service*** fees for tax return preparation service will be based on the amount of time required at prevailing billing rates plus computer charges and expenses, adjusted for the value of the work performed. Fees for an individual income tax return are due at the time ***Alisha's Accounting & Tax Preparation Service*** delivers the completed return. Tax returns will NOT be electronically filed until the fee is paid. Estimated fees for delinquent income tax returns and related Internal Revenue Service representation are due before work commences. Fees over thirty days past due will incur a late charge of 1.5% per month, which is an annual rate of 18%. I, ***Alisha's Accounting & Tax Preparation Service***, may, in my judgment, cease work on an engagement where delinquent fees are outstanding. If I, ***Alisha's Accounting & Tax Preparation Service***, elect to cease work for nonpayment, my engagement will be deemed to have been completed, even if ***Alisha's Accounting & Tax Preparation Service*** has not completed your tax return. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Please sign and return this letter with your client information sheet.

Taxpayer's Signature _____

Date _____

Spouse's Signature _____

Date _____