

Thank you for choosing Anchor Accounting & Tax, Inc. to assist you with preparation of your 2019 tax return. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

### 1. Complete Information Required

We will prepare your federal and state income taxes and will depend on you to provide the information we need to prepare complete and accurate returns:

- **“Questionnaire”**. All clients must carefully complete this document to ensure we have accurate and complete information. We cannot begin preparation of your return without answers to all “yes” or “no” questions.
- **“Dependent Info” Worksheet** (please fill in completely to comply with IRS Due Diligence requirements for Child Tax Credits, Education Credits and/or Earned Income Credit!)
- **“Itemized Deductions” Worksheet**, for taxpayers with mortgage interest, real estate taxes, charitable contributions, and/or medical expense deductions
- **“Business Organizer”** *If you own a business or earn self-employment income*, please fully complete this document.
- **“Rental Property” Worksheet** *If you own rental property*, complete this document (one sheet for each rental property)
- **Checklist:** Please include all of the following items  
\_\_\_ Driver’s License (taxpayer and spouse) \_\_\_ Social Security Card for any new dependents  
\_\_\_ 3<sup>rd</sup> Party record for each dependent (school, Dr., daycare, insurance, pastor, landlord. Etc\_  
\_\_\_ w2s \_\_\_ 1099s \_\_\_ 1098s \_\_\_ 1095 (Healthcare Marketplace) \_\_\_ K-1s  
\_\_\_ Brokerage Statements \_\_\_ ALTA Closing Disclosure (purchase or sale of real estate)

Note: Providing us with intake data, records, spreadsheets or other paperwork presented in a format other than organized in the Questionnaire/Checklist, Business Organizer or Rental Property Worksheet can increase your fee.

We understand that tax rules and terminology can be confusing! If you have questions during the completion of the intake documents listed above, please don’t hesitate to ask them. Doing so will help you to **prevent IRS Notices** and **avoid IRS Accuracy-Related Penalties**, as well as help us in our efforts to **minimize your tax liability**.

We may ask you to clarify some items but will not audit or otherwise verify the data you submit.

### 2. Secure Portal

Your privacy is important to us, and so is the protection of your identity and financial information. For this reason, we process all messaging, tax info, documents, tax returns, and e-signatures through our secure client portal.

Email is not secure. Rather than email us, please correspond using the “Compose Message” feature (click link at the portal home page). Send documents via the portal’s “Upload Documents” feature. Access the portal at: [https://login.atomanager.com/atom\\_anc/WebInfo.aspx](https://login.atomanager.com/atom_anc/WebInfo.aspx). To log in, enter (a.) the primary taxpayers social security number -or- if business entity, the EIN number and (b.) your password. If you need/forget your password, leave the password block empty, and click the “need password” link.

### 3. Bookkeeping not included

Bookkeeping services are **not included** in our standard tax preparation fees. To avoid additional fees, please total up your receipts and provide total dollar amounts in the appropriate spaces on the Business

Organizer. By “Bookkeeping services” we mean the following activities performed by us, such as:

- Adding up/categorizing income and expenses from bank statements, receipts, invoices, hand-written paperwork, etc.
- Reviewing and adjusting client prepared QuickBooks files or spreadsheets
- Working with data, records, and information presented in any format other than provided in the **Questionnaire, Business Organizer, Rental Property** or other **Worksheets**

If requested, we will perform bookkeeping services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will, of course, inform you of any material errors, fraud, or other illegal acts we discover.

#### **4. IRS Penalties**

The law imposes penalties when taxpayers underestimate their tax liability, file late, pay late, and/or fail to make quarterly estimated tax payments. In addition, filing an “Automatic Extension of Time to File” with the IRS only grants an extended time to file; it does not extend your time to pay the taxes due. Please call us if you have concerns about such penalties.

#### **5. Tax Laws**

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.

#### **6. Fees**

Our fee will be based on the time required at standard billing rates plus out-of-pocket expenses. Payment of an initial retainer is required to begin preparation of your return, as follows:

- \$150 for Form 1040 tax returns,
- \$275 for corporate or partnership returns.

(Note: If your business is unincorporated, and/or has only one owner, it is filed on a schedule that is part of your Individual Form 1040, and therefore only requires a \$150 initial retainer).

The balance of our fee is due and payable once the return preparation is complete. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days of completion of our preparation services. We will not file the return until all prep fees have been paid. Cash, check, debit or credit card payments are accepted. Note: We will not take part of your refund as payment, nor do we offer refund anticipation loans.

#### **7. Filing Your Return**

Once the return preparation is complete, we will provide a “REVIEW Copy” of your return via our secure portal, along with authorization-to-file documents for either your wet signature or digital signature (“E-SIGN”). Review your Review Copy carefully before signing the authorization-to-file documents.

We will file the return electronically upon receiving your “E-SIGN” or digital authorization. If you do not elect to have us e-file your return, then you will be solely responsible to paper file (mail) the return with the appropriate taxing authorities. Our engagement to prepare your tax return will conclude with the delivery of the completed return to you (if paper-filing) or your signature and our subsequent submittal of your tax return (if e-filing).

#### **8. Client Records**

If you provide original “hard copy” records for preparation of your return, we will make them available to you for pickup at the end of the engagement. We can mail them to you, if requested, subject to a mailing and handling fee.

