 2022 Tax Engagement Letter January 04,2023

This letter is to confirm the arrangements for the income tax services, which I will provide, the nature and limitations of such services.

* **Services.** I will prepare your **2022 federal and state income tax returns** from information timely provided to me by you. You are confirming to me that you will furnish to me all information required for the preparation of your returns and that you will review the returns for propriety of all items that are or should be included. You will be responsible for the accuracy of all data and the maintenance of all records. I will not audit or verify the data you submit, although I may ask you to clarify it, or furnish additional data. This engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud that may exist.
* **Filing deadlines.** Tax returns are due by **April 18, 2023**. Please submit your information as early as possible once you receive everything to ensure your taxes can be completed on time. Tax information received after **April 1, 2023** may be subject to an additional expedited fee in order to complete the returns timely so try to plan accordingly. I may request an extension if I or you feel we need more time to properly put together a complete return. Be aware though that an extension of time is not an extension to pay any tax liability due. If you think you may owe taxes than you will need to pay by **April 18, 2023** an estimate of that amount. I can help you decide how much that might be. Be aware that due to circumstances beyond mine or your control I cannot guarantee the completion and filing of tax returns by the deadline even if all information is timely received. I will make every good faith effort to do so though.
* **Client Responsibilities.** Please be advised that any information concerning income or expenses you provide whether verbally, electronically, or in writing during the preparation of this return will be included in your client file and must be disclosed to the IRS or State taxing authorities if requested by them. IRS Regulations require you to maintain and retain information on all items reported on your returns, especially for deductions of travel, entertainment, auto, and computer use. Should you have any questions on what will satisfy these requirements, I will be happy to advise you. You should keep these records for a minimum of seven years.
* **Professional Judgement.** I will use my knowledge, judgment, and experience in resolving questions where the tax law is unclear or where there may be different interpretations of the law. I will resolve such questions in your favor if there is reasonable justification to do so.
* **Your Signature.** I ask you to carefully review all tax returns before acknowledging their accuracy with your signature. You have the final responsibility for the information on your tax returns. I will e-file your return unless you specifically ask me not to. Bear in mind that the state of California now requires e-filing for tax preparers. There will be an additional charge to file by paper. You will also be responsible for mailing all tax returns in the event you do not wish to e-file.
* **Examination of Returns.** The tax authorities may audit your tax returns, but just because your return is selected for review does not mean there is a problem. Please call if you receive correspondence from **any** taxing agency. I will be available to represent you and render additional services for additional fees.
* **Tax Authority Notices.** The IRS and State taxing authorities send out letters for a variety of reasons. Many are computer generated automatic letters. **Do not ignore them**. Many times it is a simple fix but ignoring them causes many more problems down the road. Please immediately provide me with a copy of any letter you receive. I am not responsible for any assessments of underpayment penalties or interest where this action results from erroneous, incomplete, inaccurate or misrepresented information provided by you to me since I do not audit your information. If an error is made by me I will cover the cost of the penalty and interest. You will always be responsible for the tax liability.
* **Fees.** Individual tax returns are charged by the forms required to complete an accurate return. Additional fees for my services may be charged. Fees charged for my services are based primarily upon the time devoted to the matter, including conferences, telephone calls, factual investigations and analysis, research, document preparation and revision, travel away from the office and other services rendered on your behalf.

I will submit my bill at the time your income taxes are completed. It is due upon receipt by you. The returns will not be filed until your invoice has been paid and the 8879s are signed and dated. A service charge of 10% will be charged on accounts over 30 days and a late fee of $35 will be charged for those over 90 days. The unpaid balance will also be subject to collection charges, court costs and attorney’s fees where applicable. It is agreed and acknowledged that any returned or dishonored check will result in a $30.00 check charge.

* **Engagement Limitations.** This engagement does not include any services not specifically stated in this letter.
* **ACA Compliance.** The penalty for not having health insurance has been dropped to $0 for federal purposes. The mandated ACA health insurance requirements are still in place though and the state of California has added a penalty for those not in compliance effective January 1, 2020.
* **Foreign Filing Obligations.** You are responsible for complying with the tax filing requirements of any other country as well as any US foreign accounts reporting such as the FBAR. I am available to assist you in if needed but this engagement does not cover such filings.
* **Third Party Requests**. This office will not provide any tax returns or CPA comfort letters to any loan service, mortgage company, or bank etc. for loan purposes or otherwise. Liability factors prohibit it. I will provide, upon request, an electronic copy of your tax return which you are free to do with as you choose.
* **Franchise Tax Board Online**: By signing this agreement, you authorize this firm to execute the Online Account View Access Authorization on the Franchise Tax Board’s website. You understand that this firm will have view-only access to all the tax year information available on the FTB’s website that is associated with you. This authorization remains in effect until you revoke it in writing. Be advised that the FTB will send you notice of this authorization. In some instances there may be a need for you to take some action so please read the letters you receive.
* **Privacy Policy**: It is the policy of this firm to handle the information you provide me with the utmost confidentiality and care. I will not disclose your personal and confidential information to anyone outside this firm without your express written permission to do so but be advised that there is no accountant-client privilege. I maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Please indicate your acknowledgment and acceptance of the arrangements outlined above by signing the enclosed copy of this letter. If you have any questions, please don’t hesitate to call.

Very truly yours,

*Christine Reynolds EA*

Accepted by:

Signature\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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