



Engagement Letter for Business Tax Return Preparation

This letter is to confirm and specify the terms of our engagement with you for the year ended December 31, 2019, and to clarify the nature and extent of the tax services we will provide. We look forward to working with you and want to confirm our understanding of the arrangements for this service. Please read this letter carefully because it is important that we establish expectations for both of us as we work together. If you have any additional questions or concerns regarding this Engagement Letter, please call to discuss before signing it.

Please note that **Pass-through Income Tax Returns (S-Corporations, Partnerships, LLC's taxed as S-Corporations, LLC taxed as Partnerships and certain trusts), are due by March 16, 2020** with extension deadline **September 15, 2020**. **C-Corporation, and LLC's taxed as C-Corporations are due by April 15, 2020**. Please submit your information by **February 1, 2020** for Partnership and S-Corporation returns, and **February 26, 2020** for C-Corporate returns to **ensure your Income Taxes can be completed by the deadline**. An additional extension of time to file may be requested before the due date, allowing you to extend your tax return due date until **October 15, 2020**. If an extension is filed, please submit your information by **July 16, 2020** to **ensure your Income Taxes can be completed by the extended deadline**. The extension is an extension of time to file your tax return and not an extension to pay any tax liability due. If any tax is due or you think it may be due, you must pay that amount to the IRS and any applicable state taxing agency by **March 15, 2020**. If payment is not made timely, there will be penalties and interest due. **Please be aware if your documents are submitted AFTER the due dates of February 1st or July 16th a Rush Fee will be applied for your return to be completed by the March 16th or September 15th deadline, respectively.**

We typically charge for the preparation of tax returns at our standard rates. We require a retainer of \$500 prior to starting the work. **This retainer is applied to the final billing**. We accept major credit cards for payment. **Please note, we will be charging additional fees for bookkeeping services and for the preparation of additional schedules if these services are necessary**. Please be assured that no charges will be made to your credit card without your prior notification. All charges for tax return preparation and bookkeeping services are due and payable prior to the release or the filing of your return. You will be contacted with an estimate of charges if they are above the basic rate for your approval.

We will provide you with an information checklist and questionnaire requesting specific information. Completing the checklist and questionnaire will assist us in making sure you are well served for a reasonable fee. In providing this information to us, **you represent that the information you are supplying is truthful, accurate and complete to the best of your knowledge and that you have truthfully disclosed to us all income and other relevant facts affecting the returns. You further represent that you have provided us true, correct and complete information regarding amounts you claimed as tax deductions, and have maintained written documentation supporting all amounts, including log books and receipts.** We will not audit or otherwise verify the information you give us; however, we may ask for additional clarification of some information. You will contact us immediately if you discover additional information that will lead to a change in your return, or if you receive any letters from the IRS, state or local taxing authorities.

You are responsible for the proper recording of financial activities, for the safeguarding of assets, and for the substantial accuracy of your financial records. The law imposes various penalties when taxpayers understate their tax liability. We recommend you retain all documents, cancelled checks, receipts and other data that form the basis of income and deductions for at least 3 years after filing your return. **Please remember, you have the final responsibility for the information on your income tax returns.**

In accordance with our firm's current document retention policy we will retain our work papers and your tax returns for your engagement for *seven (7) years*. After seven years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. The working papers and files of our firm are not a substitute for the original records of your company. When any records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies. It is agreed and understood that in connection with the performance of this engagement by Conner Tax and Services, LLC, that the work papers prepared by us shall remain the property of Conner Tax and Services, LLC.

Please note the following policies that are in effect:

- No tax return or related information will be released until the invoice has been paid in full, and payment plans are not available.
- There will be a non-refundable \$25.00 late fee charge if an invoice exceeds 90 days past due.
- There will be additional expedited fees for any returns completed in which we receive your information within 45 calendar days of the filing deadline.

Sending our Office Information - Please do not send originals. Scan in your data and uploaded documents to our client portal, mobile app or email.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the tax return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss the return with us.

There is always a possibility that your returns may be selected for review by taxing authorities.

Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available, upon request, to represent you. **There will be additional charges for the time and expenses incurred.**

If we conclude that we are obligated to disclose a particular position on your tax return to a taxing authority and you refuse to permit disclosure, we reserve the right to withdraw from the engagement. You also have the right to choose another professional to prepare your return. In either event, you agree to compensate us for our services to the date of the withdrawal.

All invoices are due and payable upon completion of the income tax return and all major credit cards are accepted. It is agreed and acknowledged that any unpaid balance pursuant to this Engagement Letter is subject to interest at the rate of Eighteen Percent (18%) per annum, collection charges (which may be as much as 50%), court costs and reasonable attorney fees. It is agreed and acknowledged that any returned or dishonored check will result in a \$25.00 check charge, and shall be subject to the provisions contained in U.C.A. §7-15-1 and U.C.A. §76-6505. It is agreed and acknowledged that failure to make payment as provided by this Engagement Letter constitutes a breach of this Engagement Letter and shall immediately be entitled to all remedies available under the law. It is agreed and acknowledged that this shall be governed by the laws of the State of Utah and that venue shall be Cedar City, Iron County.

The engagement does not include any services not specifically stated in this letter. To formalize our relationship, we respectfully ask that you return all pages of the signed copy of this letter.

Thank you for your business!

Respectfully,
Conner Tax and Services, LLC

CLIENT ACKNOWLEDGEMENT

Client Signature: _____

Maggie Smith

Print Name: _____

Date: _____

Company(s) included in this Engagement:

Current Company Information

*Please make additional copies of this form and fill out separately for each company.

***If we have prepared your Business Income Tax Returns previously, please ONLY provide any information below that may have changed over the past year- Thank you.**

Company Name: _____

Contact Name(s): _____

Physical Address: _____

City: _____ State: _____ Zip Code: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone numbers: Home: _____ Cell: _____

Business: _____ Fax: _____

Email Address: _____

Business Start Date: _____ Type of Entity: _____ Federal EIN: _____

Manager: _____ DOB: _____ SS#: _____ DL#: _____

Manager: _____ DOB: _____ SS#: _____ DL#: _____

President: _____ DOB: _____ SS #: _____ DL #: _____

Vice President: _____ DOB: _____ SS #: _____ DL #: _____

Secretary: _____ DOB: _____ SS #: _____ DL #: _____

Treasurer: _____ DOB: _____ SS #: _____ DL #: _____

Additional information that we need to discuss regarding changes in ownership or states in which you were doing business over the past year and since filing your last tax returns:

Client Credit Card Information

Name on Card (if different): _____

Client Billing Address (if different): _____

City, State & Zip Code: _____

Type of Card (Visa, MasterCard, Discover, American Express): _____

Card Number: _____

Expiration Date: _____

Card Security Code: _____

I understand that my Credit Card will be charged for the retainer of \$500 upon delivery of this Engagement Letter.

I understand that additional charges may apply depending on the work necessary to complete the returns.

Upon completion of my Tax Returns (please check one of the following):

I would like an electronic copy of my Tax Returns e-mailed to me.

I would like a hard copy of my Tax Returns mailed to me.

