



## 2023 TAX RETURN PREPARATION ENGAGEMENT LETTER & TAX WORKSHEET

50 Oliver Street, Suite 215; N. Easton, MA 02356 Tel: 508-230-8756 Fax: 888-405-8433 Web: www.ACT-CPA.com

We are pleased to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide regarding the preparation of your income tax returns.

We will prepare your 2023 federal and state income tax returns from information which you furnish to us. We will not audit or otherwise verify the data you submit, although we may ask for clarification of some of the information. Upon request, we can furnish you with questionnaires, worksheets or booklets to guide you in gathering the required information for us. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. **You have the final responsibility for your income tax returns therefore you should review them carefully before you sign them.**

All returns filed are subject to review by taxing authorities. In the event of such government tax examinations, we will be available to represent or assist you, upon your request. Our firm is responsible only for the tax returns that it has prepared. The fee does not include responding to the IRS or state inquiries or tax estimates for the following year. Our firm is not responsible for IRS (or state) disallowance of doubtful deductions or deductions unsupported by adequate documentation and the resulting taxes, penalties, and interest.

Our fee for these services will be based on our office hourly rates. **An estimated retainer payment for services is due when you submit your information to our office or the work will not be started.** Billing rates in our office are between \$80 to \$350 per hour depending on services and expertise provided. Any unpaid invoice which remains unpaid for more than thirty days will follow our collection policy. We reserve the right to suspend work in the event that invoices for previous services including interim bills for current services are unpaid.

The timeliness of your cooperation is essential to our ability to complete this engagement. Specifically, we must receive sufficient information from which to prepare your returns within a reasonable period of time prior to the applicable filing deadline. **Accordingly, if we do not receive this information from you, as noted above, by March 15, 2024, it may be necessary to pursue extensions of the due date of your returns, and we reserve the right to suspend our services or withdraw from this engagement.** Various penalties and interest are imposed when taxpayers fail to pay the full amount of taxes owed by the filing due date. Furthermore, additional penalties and interest are imposed when taxpayers fail to remit the proper amount of subsequent year tax estimates. Based on information you have provided to us, we can assist you in determining the correct amount of taxes owed for the current year and subsequent year tax estimates. You acknowledge that any such penalties and interest that arise due to the underestimation of current year taxes owed or subsequent year tax estimates remitted are your responsibility, and that we have no responsibility in that regard. If you would like information on the amounts or the circumstances of these penalties and interest, please contact us.

We may encounter instances where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. In those instances, we will outline in a written communication each of the reasonable alternative courses of action, including the risks and consequences of each such alternative. In the end, we will adopt, on your behalf, the alternative that you select after having considered the information provided by us. Pursuant to standards prescribed in IRS Circular 230 and IRC 6694, we are forbidden from signing a tax return unless we have a reasonable belief that there is substantial authority for a tax position taken on the return, or unless we have a reasonable belief that there is a reasonable basis for the tax position taken on the return and we disclose this tax position on a separate attachment to the tax return. Substantial authority is generally viewed by tax professionals as requiring at least a 40% probability that the tax position taken will be sustained on its merits. However, under no circumstances may we sign a tax return with a tax position that has no reasonable basis.

If a dispute arises out of or relates to this contract or engagement letter, or the obligations of the parties therein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to arbitration, litigation, or some other dispute resolution procedure.

We take our responsibility to protect the privacy and confidentiality of customer information very seriously. We will not provide financial information to anyone about you with the following exceptions: Federal & State Taxing Authorities and your spouse (unless notified).

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NOTE: FAILURE TO ANSWER WILL BE TREATED AS A "NO" AND AS ZERO AMOUNTS FOR 2023.

OVERALL DEADLINE for tax information is 3/15/24 after this date you could be put on tax extension.

Name: \_\_\_\_\_ Marital Status \_\_\_\_\_ \*Occupation: \_\_\_\_\_ DOB \_\_\_/\_\_\_/\_\_\_
Spouse: \_\_\_\_\_ \*Occupation: \_\_\_\_\_ DOB \_\_\_/\_\_\_/\_\_\_

- 1. NEW CLIENTS ONLY: Please provide us a copy of last year tax return and everyone's date of birth.
2. Target date to complete your tax return by: Before 4/15 Before 6/15 Before 8/15 Before 10/15 Before 11/15
3. Direct deposit of your tax refund or direct debit of your tax owed from: ( new client provide voided check)
3.1. For a Refund use bank account (last 4) \_\_\_/\_\_\_/\_\_\_/\_\_\_ or Mail check to you.
3.2. For a Tax Owed use bank account (last 4) \_\_\_/\_\_\_/\_\_\_/\_\_\_ or Pay online at IRS.gov or State DOR
4. How are you paying your tax retainer? Check payable to "ACT CPA INC" or E-Pay Form or Other
5. Preferred Communication (check one): Phone or Email or Text
3.1 Provide preferred Phone/Email: \_\_\_\_\_
6. Personal Information changes from last year. No Changes then check here If uncertain please provide:
6.1. NEW dependents born or added in this tax year (Names, ss# and DOB): \_\_\_\_\_
6.2. REMOVE dependents due to over 24 years old or not in college or another reason \_\_\_\_\_
6.3. Did you lose your spouse in 2022 or 2023? YES OR NO
6.4. NEW Email(s): \_\_\_\_\_ OR NEW Phone# \_\_\_\_\_
6.5. NEW Address: \_\_\_\_\_
7. Tax returns and source docs will be in the new ACT CPA portal when taxes are completed.
7.1. Choose one: Sign e-file forms from ACT CPA New Portal or Sign in person at office
7.2. Do you require a paper copy (circle) YES OR NO. We encourage you to go paperless.
8. Check if you have any of the following tax information and/or schedules:
8.1. Sch C - Business Info\* 8.5 K-1 from Partnership/S-Corp 8.9 Brokerage Statements
8.2. Sch E - Rental Info\* 8.6 Qual. Business Income Deduction 8.10 1095-A Health Ins. Mktplace Stm
8.3. 8829 - Office in the home\* 8.7 Sch A - Itemized Deductions 8.11 1099-G unemployment/tax refund
8.4. 1099 INT, DIV or any type 8.8 Crypto (use Koinly App) 8.12 HSA Forms
9. Check if you have any of the following events:
9.1. Tuition PAID Expenses - Must enclose 1098T from school or any 1099-Q forms and complete our worksheet\*
9.2. Educator expenses for supplies or books or prof. development. How much was spent? \_\_\_\_\_
9.3. Student Loan Interest. Enclosed 1098 E from loan company (go online to your student loan account to print.)
9.4. Childcare expenses. Provider's name, address, ID/SS#, and amounts paid for each child.
9.5. Traditional, SEP or Roth IRA Contributions ( Not on w2). Provide all 5498 Forms or proof of contributions.
9.6. Estimated Tax Payments to the IRS or MA DOR. Provide list of date paid and amounts and to each tax authority.
9.7. Alimony Paid or Received. How much, and to/from whom. \_\_\_\_\_
9.8. All Charity cash donation receipts if you are itemizing your deductions or if MA resident.
10. MA Residents - State Tax Return Info
10.1. Annual Rent Paid to a MA Landlord \$ \_\_\_\_\_
10.2. Fast Lane Expenses: \$ \_\_\_\_\_ or MBTA commuter passes for train, boat or cycling \$ \_\_\_\_\_
10.3. Did you purchase items outside of MA without paying MA Sales Taxes ? YES NO If yes, how much do you spend? \_\_\_\_\_
10.4. Do you have minimum essential health insurance coverage? YES NO Yes, provide proof with forms 1099-HC
11. Miscellaneous Questions about this tax year? \* - PLEASE FILL OUT ADDITIONAL WORKSHEET
11.1. Did you receive as a reward/award/payment of services a digital asset (crypto or nfts)? YES NO
11.2. Did you sell/exchange/gift/or otherwise dispose of a digital asset (crypto or nfts)? YES NO
11.3. Did you receive any income not reported on a W2 or 1099? If yes, what? \_\_\_\_\_ YES NO
11.4. Do you have any financial or signatory interest in a foreign bank account? YES\* NO
11.5. Did you receive a distribution from, or were you the grantor or transferor to a foreign trust? YES\* NO
11.6. Did you receive any letters from the IRS or any state tax agencies? If yes provide letters YES NO
11.7. Did you make any gifts to anyone over \$17,000? If yes, need to prepare Gift Tax Return. YES NO
11.8. Did you sell and or purchase a home- If yes provide the HUD Settlement Statement. YES\* NO
11.9. Did you have any children under 24 with interest or dividends or sold stocks >\$2,500? YES NO
11.10. Do you have any gambling winnings? YES NO
11.11. Do you have a divorce agreement that indicates tax matters? If yes, please provide copy. YES NO
11.12. Were you issued an IRS IP PIN for an Identity Theft Issue? YES NO
11.13. Did you receive any Forms 1099-K from any cash apps like Venmo, Cash app, or Paypal YES NO
11.14. Are you missing any tax documents to prepare your return? If yes, we can help. YES NO
11.15. Sign up for our email newsletter list? Email: \_\_\_\_\_ YES NO
12. Did you have any unusual transactions? \_\_\_\_\_ YES NO

\* - PLEASE FILL OUT ADDITIONAL WORKSHEET

To the best of my knowledge, the information that has been submitted to ACT CPA INC, whether in written or oral form, clearly reflects all income received, and any deductions claimed are supportable by records in my (our) possession and should be used in the preparation of my (our) tax returns. All records and substantiation needed to support this information are available in conformity with Internal Revenue Service Code and Regulation requirements.

Accepted and Agreed to Pages 1& 2:

Taxpayer Signature

Spouse Signature

Date