



Engagement Letter for Tax Return Preparation

This letter is intended as a broad outline of the tax return preparation services we will be providing for you and/or your company(s). Your understanding of the scope of these services and our method for charging a fee is important. **Please do not hesitate to ask questions at any time.**

Verification of information:

We will prepare federal, state and local tax returns based upon information provided by you or by individuals authorized by you. **We will not verify** the accuracy of the information provided, however, we may need additional documentation, clarification, and in some cases, written confirmation in order to understand your information and complete your tax return.

Advocacy, accuracy, and supporting documentation:

You are responsible for the accuracy, completeness, and supporting documentation for the information on your returns. Supporting documentation for travel, meals and entertainment, and business use of vehicles should include sufficient evidence to substantiate the amount, time, place, business purpose, and business relationship. We will act as your advocate and use your information to your best advantage within the boundaries of applicable regulations. Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist.

Tax Planning Not Included:

As a practical matter we may discuss tax planning while gathering information for or reviewing the preparation of tax returns. **However, you should engage us separately for specific tax planning issues as they arise.**

Tax planning is a broad and ever changing subject for each individual taxpayer. For example every individual should have a comprehensive estate plan. We can assist you with such a plan, however, we are not responsible for initiating an estate plan or other tax planning opportunity for you. We do not charge for brief phone calls throughout the year to help facilitate your understanding of tax planning opportunities that may affect you.

Timely Filing:

When an extension of time to file a return is available it **never includes an extension of time for the payment of the tax due.** The tax authority **may not recognize the extension request** without payment of the tax due. For this reason and others, we recommend everyone file their tax returns by the original due date without extensions to avoid penalties and interest.

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Under normal circumstances when all the information necessary for preparing your return(s) is delivered to us within three weeks of the filing deadline, we will be able to prepare the return(s) for timely filing. Unforeseen circumstances may inhibit our ability to prepare your returns timely. **We encourage everyone to gather and submit their data to us as early as possible.**

Maintaining copies of supporting documentation:

You are required to maintain copies of all of the supporting documentation for your tax returns. Our files are not complete with regard to all of the supporting documentation for your tax returns. Original copies of documents and information submitted to us by you will be returned to you with your completed returns. Links to IRS guidelines for record retention can be found on our web site.

In the event of a tax notice and/or examination by a taxing authority:

We will be happy to assist you in the event of a tax notice and/or examination of your returns by a taxing authority. We can obtain power of attorney to represent you or accompany you to demonstrate and explain the use of your information on the returns. We will charge additional fees for this assistance based upon our normal hourly rates.

Penalties and interest for errors and omissions:

You may be assessed penalties and interest for errors on and/or lack of supporting documentation for the returns. It is our policy to reimburse you for penalties and not interest where the penalty was the result of a calculation error on our part.

Our fees:

Tax preparation fees are based upon the time spent, billed at our normal hourly rates. It is common for fees to range from as low as \$400 to as high as \$1,500; however, we have prepared returns that cost as much as \$2,500 or more.

Please read and acknowledge by signing and dating this engagement letter. Changes to this agreement may take place from time to time without notice. Please visit our website at www.gmcpas.com for a current copy.

Sincerely,

Grand Mesa CPAs, LLC
Certified Public Accountants

Read and acknowledged:

Signature Printed Name and Title Date

Signature Printed Name and Title Date