

GARY D HARTMAN CPA

2545 BOMBAY LANDING
VIRGINIA BEACH, VA 23456
garyd@hartmancpa.com

Subject: Preparation of Your 2020 Tax Returns

:

Thank you for choosing GARY D HARTMAN CPA to assist you with your 2020 taxes. This letter confirms the terms of my engagement with you and outlines the nature and extent of the services I will provide.

I will prepare your 2020 Federal and Resident State Income Tax returns. (If you are aware of any additional State Returns to be prepared please inform me, or if I become aware of an additional State Return that needs to be filed, I will inform you. These returns will be prepared at an additional cost upon your approval.)

I will prepare your 2020 Federal and Resident State Income Tax returns in accordance with the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants and the U S Treasury Department Circular 230. I will depend on you to provide the information I need to prepare complete and accurate returns. I may ask you to clarify some items but will not audit or otherwise verify the data you submit. An Organizer is enclosed to help you collect the data required for your return. The Organizer will help you avoid overlooking important information. By using it, you will contribute to the efficient preparation of your returns and help minimize the cost of my services.

It is your responsibility to inform me if you directly or indirectly hold any interest or signatory authority in any assets located in a foreign country. Based upon the information which you provide, this information will be used to calculate any applicable foreign tax credits. I will also use this data to inform you of any additional filing requirements, which may include Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts (FBAR). Failure to file required forms can result in the imposition of both civil and criminal penalties, which can be significant.

As a service to you, it is my policy to check the box on all returns to allow the IRS and other taxing authorities to discuss your tax account information with me. If you do not want this box checked please let me know.

To the extent you wish to engage me to apply for extensions of time to file tax returns on your behalf, you must notify me by phone or in writing. In some cases, your signature may be needed on such applications prior to filing. Failure to timely file for an extension of time to file can result in penalties for failure to file tax returns, which accrue from the original due date of the returns, and can be substantial.

I offer a secure server to those who wish to participate. The secure server allows you to upload your tax information to me and allows you to download a draft copy of your return for review. You will also be able to download the E-File Signature pages as well as your copy of the return. If you wish to take advantage of this free service please call me with your requested password [user name is your email by default but you can request something different] If you previously used this service your login information remains the same.

For those that mail their information to me or do drop offs, I still maintain a secured mailbox.

I will perform accounting services only as needed to prepare your tax returns. My work will not include procedures to find defalcations or other irregularities. Accordingly, my 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. I will inform you of any material errors, fraud, or other illegal acts I discover.

Should I encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, I will outline the reasonable courses of action and the risks and consequences of each. I will ultimately adopt, on your behalf, the alternative you select.

The law imposes penalties when taxpayers underestimate their tax liability. Call me if you have concerns about such penalties.

Under IRS and AICPA rules I can not respond to any request from banks, mortgage brokers or others for verification of any information reported on these returns. I can provide you with an additional copy of the returns to submit to the above and confirm that I did prepare the return.

My fee is based on the time required at standard billing rates plus out-of-pocket expenses with a minimum of \$80.00. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

I will return your original records to you at the end of this engagement. Store these records, along with all supporting documents, in a secure location. I retain copies of your records and my work papers from your engagement for up to three years, after which these documents will be destroyed. However, I recommend that you retain copies of your records and return for at least seven years as that is the longest the IRS has been known to go back in non-fraud cases.

I am required under IRS and State rules to e-file your returns, however, you may opt out. [I will prepare the form 8948 to submit with the return]. You will be solely responsible to file the returns with the appropriate taxing authorities if you decide to mail the returns. Review all tax-return documents carefully before signing them.

My engagement to prepare your 2020 tax returns will conclude with the delivery of the completed returns to you, or with e-filed returns, with your signature and my subsequent submittal of your tax return.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to me. If I receive the organizer and other tax information and this letter unsigned or without this letter it will be treated that you are agreeing to be bound by the terms set forth above.

Thank you for the opportunity to be of service. If you have any questions, contact me at (757)301-1040.

Sincerely,

Gary D Hartman
GARY D HARTMAN CPA

(Both spouses must sign for preparation of joint returns.)

Accepted By:

Taxpayer

Spouse

Date