

KLW ACCOUNTING & TAX LTD.

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INDIVIDUAL INCOME TAX RETURN ENGAGEMENT LETTER

Name(s): _____
Please print

Tax Organizer Options (please check one):

- KLW to send via email and I/we will print
- KLW to mail paper copy to me
- I do not want a Tax Organizer or I will print a generic organizer from the KLW website.

Dear Client(s):

Thank you for choosing KLW Accounting & Tax Ltd. for your income tax preparation needs. Please be advised that the following information is important and pertinent to the services to be performed for you.

We will prepare your **2020 federal and state(s) income tax returns** from information that you will provide for us. We will not audit the data you submit, nor will we otherwise verify the accuracy thereof. We may, however, find it necessary to ask you questions for clarification purposes. If you would like a **Tax Organizer**, which provides worksheets and questionnaires, one will be furnished for you to serve as a guideline for gathering the necessary tax-related forms and information. Completion of the **Tax Organizer** will be helpful in ensuring that we prepare the most accurate tax returns possible, and will assist in reducing our fees. Most importantly, we kindly ask that, at a minimum, you complete the questionnaire. Please check one of the boxes above to let us know how you would like to receive your **Tax Organizer**. To the extent that it is determined to be necessary in the preparation of your income tax returns, we will render accounting and bookkeeping services. These services will be billed to you as part of your total income tax preparation fees.

Although we will do our utmost best to ensure that your tax returns are prepared and ready for filing by **April 15, 2021**, we must have any/all of your information and documentation **no later than March 5, 2021** to ensure timely filing. If, **by March 5, 2021**, we have not received any/all of your information, **we will do our best to have your returns prepared by the filing deadline, but will file an automatic extension on your behalf if necessary.** **PLEASE NOTE: any tax that may be due with the eventual filing of your returns MUST be paid with the extension filing due April 15, 2021.** Any tax amounts not paid by the April 15, 2021 filing deadline are subject to IRS/State(s) assessment of interest and late payment penalties.

Your responsibilities associated with the preparation of your income tax returns require that you maintain the documentation necessary to support and substantiate the data used in preparing your tax returns. Maintaining this documentation includes, but is not limited to, those tax deductions allowed for automobile use, travel, entertainment and related expenses, and any/all charitable contributions. If you have any questions in this regard, we will be happy to advise you accordingly. We cannot be held responsible for the disallowance of doubtful deductions, or inadequate and/or improper substantiation, and therefore, the resultant taxes, interest and penalties. Additionally, it is your responsibility to examine your income tax returns prior to approving of them by signing and filing them (or the e-file authorization forms) with the taxing governmental agencies.

This engagement letter covers only our income tax preparation services rendered for you, and does not include any services or related fees relative to review of and/or response to, inquiries or examinations by taxing authorities. At your request, we will assist you towards the resolution of any tax matters and we will provide a separate engagement letter for our representation, on your behalf, in such matters.

We understand that there are areas of tax law that are unclear, and sometimes even different taxing agencies conflict with each other as to the interpretation of the law. Where tax law is not clear, or if there is reasonable justification for doing so, we will use our judgment in resolution of questions in your favor. In doing so, we will explain to you the possible positions that may be taken on your return(s). We will follow whatever position you request, provided it is consistent with the tax codes, regulations and interpretations that have been promulgated. If the position taken is later contested and challenged by the taxing authority, there may be a disallowance of deductions and resultant taxes, interest and penalties assessed. We will assume no responsibility for these additional taxes, interest and penalties. If in the event that you should ask us to agree to taking a tax position that does not, in our judgment, meet the applicable rules and laws, we reserve the right to discontinue work at that time, and will not be subsequently responsible for any damages that occur as a result of the discontinuation of work. If, due to errors or omissions on our part, your tax returns are audited or assessed penalties and interest, we will provide representation at no charge to you, and will remit the penalty and interest portion of any amount due as a result of our error. We will not pay the tax portion of the amount due.

It is our policy to maintain our file for you, in which we retain tax returns prepared for you, by our firm, over the past seven years. Although we do maintain copies in our file of your documentation submitted for each tax return we prepare, we return the originals to you. We are not responsible for maintaining your original and other tax documentation, and we suggest that you protect your records and documents in case of future need and/or examination. We reserve the right to charge a nominal fee for providing copies of your copied original documentation from our files.

If this engagement letter is to your understanding and agreement, please sign and date the enclosed copy of this letter on the line indicated below, and return to our office.

Again, we wish to thank you for choosing K LW Accounting & Tax Ltd. for tax preparation services. We do appreciate your continued business, and we wish you the very best throughout 2021.

Sincerely,
K LW Accounting & Tax Ltd.

Accepted By: _____

Accepted By: _____
(Spouse Signature, if jointly filed returns)

On This Date: _____