



This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. To confirm an understanding of our mutual responsibilities, the engagement between you and our firm will be governed by the following terms of this agreement.

We will prepare your 2020 federal and requested state income tax returns from information that you provide to us. We will not audit or otherwise verify the data you submit, although it may be necessary to contact you to clarify some information. We will provide you with an organizer to guide you in gathering the necessary information. Your use of such forms will assist in keeping pertinent information from being overlooked and help keep your cost from significantly increasing. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. **You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.**

Our work in connection with the preparation of your income tax return does not include any procedures designed to discover defalcations or other irregularities, should any exist. However, should we find any irregularities or unusual items we will bring them to your attention. If we discover any errors or omissions on a prior year return we will bring that to your attention.

We bill extra for work that is not a tax preparation process, such as calculating a stock's basis, helping a client determine the basis of an asset that is sold especially a vacation home or rental property, reviewing a divorce or separation agreement and determining taxable alimony or dependent entitlement or any accounting or bookkeeping assistance as determined to be necessary for preparation of the income tax return. Our engagement also does not include tax planning services. Additional charges will apply for such services. During preparing the tax returns identified above, we may bring to your attention potential tax savings strategies for you to consider as a possible means of reducing your taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to such recommendations, as the responsibility for implementation remains with you, the taxpayer.

We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities, interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible. Pursuant to requirements relating to practice before the Internal Revenue Service, we are required to advise you that any tax advice is not intended to be used, and cannot be used, for purposes of (i) avoiding penalties imposed under the United States Internal Revenue Code or (ii) promoting, marketing or recommending to another person any tax-related matter.

Due to the high volume of tax returns prepared by our firm, your completed tax organizer and substantially all of your tax information needed to complete the tax returns MUST be received before April 1, 2021 so that the returns may be completed by the original filing due dates. Any information received after that date will require that an extension be filed for this return; we will charge an additional fee and send invoice. Any tax that you may owe with your returns must also be paid with that extension. Any taxes not paid by the filing deadline are subject to IRS late penalties and interest when those taxes are actually paid. The law provides various penalties that may be imposed when taxpayers understate their tax liability. You, as the taxpayer, remain responsible for the payment of all tax, penalties, and interest charges imposed by tax authorities. We will do our best to estimate your liability but until the return is complete, an exact figure will not be ready. If we do not hear from you or receive any of your information, it is your responsibility to request that we file an extension on your behalf.

Certain individuals may be required to electronically file Form 114, Report of Foreign Bank and Financial Accounts (FBAR) with the U.S. Department of the Treasury. Failure to comply with the filing requirements may result in significant civil and criminal penalties. Unless otherwise specifically agreed in writing, we will not prepare, file, or provide assistance with this form.

This engagement does not include responding to inquiries by any governmental agency or tax authority. Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination or correspondence, we will be available upon request to represent you and will render additional invoices for the time and expense incurred. **There will be no charge if you have purchased the audit protection plan for your return.**

A service charge of 10% per month will be charged on all invoices not paid within thirty days from the date of the invoice. Your signature indicates that you agree to pay all reasonable fees and collection costs incurred by the firm. The engagement does not include any services not specifically identified above. We may need to perform additional accounting, calculation or research services incidental to the preparation of your tax returns. These incidental services will be billed with your tax return at our standard rates. Our rates and fees are based upon the complexity of the work to be performed, and our professional time, as well as out-of-pocket expenses. In addition, our rates and fees depend upon the timely delivery, availability, quality, and completeness of the information you provide to us. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. **You agree to pay all fees and expenses incurred whether or not we prepare the income tax returns.**

PLEASE NOTE: YOUR RETURN CAN NOT BE ELECTRONICALLY TRANSMITTED UNTIL WE RECEIVE YOUR E-FILE FORM ALONG WITH PAYMENT FOR OUR SERVICES. In the event of divorce/separation but a joint return is being filed; our fee must be paid before e-filing will be completed. We will not contact the other spouse regarding receiving payment.

Our policy is to dispose of our copies of tax returns, work papers, and other tax information that is more than six years old. Your responsibility for retention of your own tax records varies, depending upon the type of tax return or other information involved. Taxpayers are required to maintain all the documents that form the basis of income, deductions, credits and payments shown on the return. In addition, some items have specific substantiation requirements set forth by the IRS (e.g. auto, meals & entertainment, and charitable contributions over \$250, etc.)

This letter comprises the complete and exclusive statement of the agreement between parties, superseding all proposals, oral and written and all other communications between the parties. The terms and conditions of the engagement shall be governed and constructed in accordance with the laws of the state of Kansas and may only be modified in writing signed by all parties. If the above fairly sets forth your understanding of the engagement, please sign the enclosed copy of this letter and return it to our office along with your completed tax organizer. We want to express our appreciation for this opportunity to work with you.

Very truly yours,

McAuley & Crandall, PA

Signature of Client

Date

Signature of Spouse (if present)

Date

Printed Client Name

Printed Spouse Name (if present)