



To: Our Business Clients

Re: Engagement for Services for 2015/2016

The purpose of this engagement letter is to outline your rights and responsibilities as a client as well as Tax and Accounting Specialists involvement and commitment to you, our valued client. By signing this engagement letter, you acknowledge and agree to the following statements to the best of your knowledge and understanding and agree to the following procedures with our firm.

TAX MATTERS

- You understand it is your responsibility to provide our firm with all of the information required to complete your tax return.
- You will provide true, correct and complete information regarding your income as listed on the attached forms, 1099's and/or attached written summaries. It is your responsibility to provide your expenses in a clear manner. We do not audit these receipts, though we will evaluate them to ensure they are reasonable. You will retain for 7 years, all documents, receipts, cancelled checks and other records required to substantiate the records of income and expenses.
- You are to maintain written documentation supporting all amounts, including logbooks and receipts. You understand if a question arises regarding the interpretation of tax law, and a conflict exists between the authorities' interpretation of the law, and other supportable positions, that our office will use our professional judgment in resolving these issues.
- As a client, it is your responsibility to contact us immediately if you discover additional information that will lead to a change in your return.
- It is your responsibility to contact us if you receive any notice from the IRS. Please forward us the notice immediately; *do not write on the official IRS correspondence*. Tax and Accounting Specialists reserves the right to charge a reasonable fee for assisting in handling and responding to any and all IRS letters and notices.

AUDITS

The climate within the IRS and the state taxing agencies is continually changing in the field of audits. In our general area, the number of IRS audits has increased dramatically. Due to this rise, please exercise extreme caution and care in assembling and preparing your records for your tax appointment. The following are procedures you are agreeing to and policies our office will follow:

- You understand all tax agencies have the right to examine your returns, and you are ultimately responsible for retaining all the documentation and records which were used to compile your returns. This is especially important in the area of business travel, entertainment deductions, business use percentage of autos and home use, other depreciable assets, bartering and trading activities.
- If there is a direct error on the part of Tax and Accounting Specialists, we will pay that portion of the penalty you may be assessed by the IRS. We will not be responsible for the interest you might be charged. This is with the understanding that you let our office respond to all audits, letters and correspondence with the IRS or other taxing authority.
- You understand if your tax return is called for an audit, you will be charged an audit fee. This fee is to assemble your completed records in the manner which is acceptable for an audit. You will be charged a reasonable hourly rate to prepare and represent you in your audit. The audit fee also includes the audit interview, assembling the organized data into our audit format and the actual audit which usually takes three business days. If your records are not presented in an organized manner, Tax and Accounting Specialists reserves the right to bill at \$75 per hour to organize your records.

FEES

The tax preparation fee we charge includes the following services:

- Tax preparation appointment and preparation of your 2015 business return;
- Electronic filing of the federal returns and most state returns;
- Copy for your files and if you file manually, copy for the IRS;
- Year round service to answer your questions by phone, mail and/or e-mail.

Due to the ever increasing demands on our special services by client's and third party agencies, there are additional fees for extra services. As a client of Tax and Accounting Specialists, you are agreeing to the following fees and payment procedures:

- Your tax preparation fee is to be paid at the time of service unless otherwise agreed.
- If the fee is to be billed, it is to be paid at the time you *receive your tax return*, any fee not paid within 30 DAYS will be assessed a \$5.00 per month re-billing fee.
- If you request an additional copy of your tax return, we bill you at a rate of \$40 per year.
- If you need a letter written to a financial institution verifying your business tax return, there is a minimum fee of \$85.
- If your records need to be organized and totaled, it is up to the discretion of your preparer whether Tax and Accounting Specialists or you will be organizing this data due to time constraints. There will be an \$85 per hour fee for organizing your receipts to prepare your return.
- Audit fee will be determined on a case by case basis.

Additional fees may be assessed for other extra services.

- IRS negotiation of payments on past tax debts, including Offer in Compromises;
- Sales tax reports;
- Setting up a new business.

ENGAGEMENT LETTER

This engagement letter will serve as an acknowledgement that you have engaged Tax and Accounting Specialists to prepare your current and future year business tax returns. *We will not be able to prepare your 2015 tax return until your engagement letter has been received by this office.*

We greatly appreciate your giving us the privilege to participate in your business tax filing. We look forward to continued years of service to you. By signing this engagement letter, you have decided to retain Tax and Accounting Specialists for the filing of your 2015 business tax return.

We appreciate the opportunity to serve you. Please date and sign below to acknowledge your agreement with and acceptance of your responsibilities and terms of this engagement. It is our policy to initiate services after we receive this signed engagement letter.

Business Name

Authorized Signer

Date

Print Your Name

Position

Date

Please provide your preferred phone number and e-mail address:

Phone: _____

E-mail address: _____

Sincerely,

LeAnn Wilson & Associates, Inc.
Tax and Accounting Specialists



Business Questionnaire/Checklist

The following is a list of documents that we will need to “start” the business tax return. Please note that not all of the items in this list may apply to your business and we may need more documentation after we begin work. If your account is handled in-house, provide only the information not retained by us. If you use QuickBooks, please include a back up of your files. *(Please remember to **include your password and version of QuickBooks used**.)* You may deliver your information to us by fax, drop it off at our office, or e-mail. We will complete your tax return once **all** information is received.

1. Cash and Checking

- a. Bank statements for December 31, 2015 and January 31, 2016
- b. Bank reconciliation statements December 31, 2015 and January 31, 2016

2. Employee & Payroll

- a. A list of outstanding advances reconciled to the balance sheet
- b. Are you paying for all or a portion of your employees’ healthcare? Please provide details.
- c. Copies of quarterly and annual payroll reports including: 941; 940; UTTR-1; DR1094; W-2’s and W-3

3. Rental Deposits

- a. Provide any rental agreements not already provided in previous years

4. Asset Information

- a. Did you purchase, dispose, sell, trade or retire any vehicles or equipment? If so please provide the appropriate information.
- b. Have you financed any new equipment or vehicles? If so, please provide the purchase contract (if not already provided earlier in the year).
- c. Did you make any improvements to your leased/rented office?

5. Loans, Line of Credit, and Credit Cards

- a. Statements showing the balance at December 31

6. Retirement Plans

- a. Have you contributed, or plan on contributing, to a SEP or simple retirement plan?
- b. If you have a retirement plan, please provide census from your TPA to accrue the unpaid Employer Contributions on December 31.

7. Shareholder Loans

- a. Did you loan the corporation any money or pay for expenses not recorded in your software?
- b. Provide copies of Promissory Notes with the Shareholder

8. Stock

- a. Any change in ownership? If so, please provide the revised stock certificates.

9. Auto Expenses - For each vehicle provide the following:

- a. Make/Model/Year
- b. Beginning and ending mileage
- c. Miles driven for Business

10. Charitable Donations

 Receipts made by the business entity

11. Tax notices

 received from the IRS or State tax authority

2015 Tax Organizer and Questionnaire for *Business Income and Expenses*

The following information is required to prepare your Business Income/Schedule C return. The information can be filled out and submitted to us with any requested documents attached. Upon receipt we will review the information and contact you with any questions.

If we did not prepare your previous tax return, please provide copies of the last three (3) years' tax returns including *depreciation schedules*.

Ownership of the business: **T** = taxpayer; **S** = spouse; **J** = joint

Please, list the Business Name and describe the type of business activity:

Business Address (if other than your home address): _____

Federal employer identification number (if applicable): _____

Y **N** Did you make any payments in 2015 that would require you to file Form(s) 1099?

Y **N** Did you file the 1099s with the IRS? If so, **please provide copies**.

Gross Income, Receipts or Sales (cash/check, 1099, 1099K) _____

Expenses for:

Advertising	_____	Rent or Lease:	
Commissions and fees	_____	Vehicle, machinery, equipment	_____
Contract labor	_____	Other business property	_____
Employee health benefits	_____	Repairs and maintenance	_____
Insurance (other than health)	_____	Supplies (not listed below)	_____
Interest: Mortgage	_____	Taxes and Licenses	_____
Interest: Other	_____	Travel	_____
Legal and Professional Services	_____	Meals and Entertainment	_____
Office Expenses	_____	Utilities	_____
Pension and profit-sharing plans	_____	Wages (less employment credits)	_____

Other expenses (describe) _____

If you maintain an inventory please, complete the following:

Method: Cost Lower of cost of market Other (attach explanation)

Inventory at **beginning** of year _____

Purchases less cost of items withdrawn for personal use _____

Cost of labor (do not include amounts paid to yourself) _____

Materials and supplies _____

Other costs (describe) _____

Inventory at **end** of year _____

Continued on reverse side

Y N Do you have any vehicle expenses related to this business?

If 'yes' please provide the following for each vehicle:

Year/Make/Model of vehicle _____ Date placed in Service _____
Business Miles driven in 2015 _____ Cost of Vehicle _____
Total Miles driven in 2015 _____ Parking fees/Toll fees _____

If claiming **actual** expenses vs. **standard** mileage please provide: Cost of Repairs _____;
Gas and oil expenses _____; Auto insurance _____; and Auto loan interest _____.

Y N Do you have written evidence to support your deduction?

Y N Did you purchase any depreciable assets for the business?

If yes, provide the following information:

Description of Asset	Cost	Date	New/Used/Converted

Y N Were any assets sold or disposed of during 2015?

If so please provide the following information:

Description of Asset	Date Acquired	Date Sold	Sale Price	Cost or Basis

Y N Did you have any **major** repairs, upgrades, or improvements not listed on page one?

If yes, provide the following information:

Description of Repair/Improvement	Cost	Date

If there are any expenses you incurred which are not listed above please, provide that information:

Print Name

Signature

Date



Privacy Policy
Of
Tax and Accounting Specialists
LeAnn Wilson & Associates

Enrolled agents, like all providers of personal financial services, are now required by law to inform their clients of their policies regarding privacy of client information. We have always protected your rights to privacy.

Types of Nonpublic Personal Information We Collect

We collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization.

Parties to Whom We Disclose Information

For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees, and in limited situations, to unrelated third parties who need to know that information to assist us in providing services to you. In all such situations, we stress the confidential nature of information being shared.

Protecting the Confidentiality and Security of Current and Former Clients' Information

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.