



## TAX PREPARATION ENGAGEMENT LETTER

Thank you for selecting Small Business Accounting, Tax & Bookkeeping, LLC to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of services we will provide.

We will prepare your 2015 federal and all state income tax returns you request using information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. As a general rule, we require that all information be provided to us no less than 30 days prior to the date when you expect us to deliver your tax return(s). Be aware that if you submit your data after the date requested, we may not be able to keep our commitment in terms of delivery.

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all documents, canceled checks and other data that support your reported income and deductions. They may be necessary to prove accuracy and completeness of the returns to a taxing authority. You are ultimately responsible for the return(s) and should review all returns carefully before signing.

We must use our 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. In order to avoid penalties, we will apply the "more likely than not" reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns.

If during the course of performing this engagement we discover information or documents that affect any prior-year return, we will bring this issue to your attention. We will not, however, be responsible for identifying all matters that might affect returns for prior years. Should you become aware of any such matter, please contact us to consider the best way to resolve the situation.

Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we are available to represent you. However, these are additional expenses not included in our tax preparation fees and we will render additional invoices for the time and expenses incurred.

Please contact us if you would like to request an extension of time to file your return. This may be necessary if you do not submit all of your tax information to us by March 1<sup>st</sup> for business returns (Form 1120, Form 1120S) or April 1<sup>st</sup> for personal returns (Form 1040), LLC, or Partnership returns (Form 1065). Any amounts not paid by the filing deadline are subject to interest and late payment penalties. We do not automatically file extensions. We will prepare extensions for the fee of \$25 per filing.

Our fee for preparation of your tax returns will be based on the amount of time required as well as complexity of the services, completeness of the information provided to us, and out-of-pocket expenses (if any). All invoices are due and payable upon presentation. Full payment of your tax preparation fee is required before we will electronically file your return or release the paper return to you. If you terminate this engagement before completion, you agree to pay for time and expenses incurred prior to the date of termination, even if the tax return(s) are not completed.

You agree that Small Business Accounting, Tax & Bookkeeping, LLC's liability hereunder for damages, unless caused by our gross negligence or willful misconduct, shall not exceed the total amount paid for

the services described herein. This shall be your exclusive remedy.

We will retain copies of records you supplied to us along with our work papers for your engagement for a period of seven years. After seven years, our work papers and engagement files will be destroyed. All of your original records will be returned to you at the end of this engagement. You should keep the original records in secure storage.

One (1) copy of your tax return will be provided to you for your files. Additional copies at are \$25.00 each for the time and efforts involved in providing you with additional copies of your tax returns.

We appreciate your confidence in us and the opportunity to serve you. Please date and sign this letter to acknowledge your agreement with and acceptance of the terms of this engagement.

Sincerely,

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Jared Crystal, CFO  
Small Business Accounting, Tax & Bookkeeping, LLC

*CLIENT ACKNOWLEDGMENT PERSONAL RETURN:  
(Both husband and wife must sign for preparation of joint returns)*

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Client #1 (Print)

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Client #1 Signature

Date

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Client #2 (Print)

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Client #2 Signature

Date

*CLIENT ACKNOWLEDGMENT BUSINESS RETURN:*

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Company Name

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Officer/Partner/Member (Print)

Title

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Officer/Partner/Member Signature

Date

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